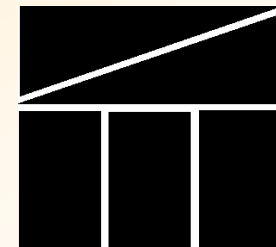


Performance Management in Virginia

A Presentation for the
Joint Legislative Audit Review Commission
September 11, 2000



Scott D. Pattison, Director
Department of Planning and Budget

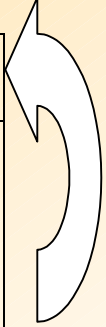

International Trend

- Private corporations
- State governments
 - Federal government

To link:

- Strategic Planning
- Performance Measurement
- Evaluation
- Budgeting

Key Benefits/Uses of Performance Information



IMPROVE RESULTS	COMMUNICATE RESULTS
<ul style="list-style-type: none">◆ Support strategic and operational planning◆ Guide resource allocation◆ Identify effective practices◆ Support organizational learning◆ Facilitate organizational redesign◆ Enhance accountability◆ Recognize and reward successes◆ Recruit and retain talented staff◆ Identify training needs◆ Identify partners for collaborations	<ul style="list-style-type: none">◆ Substantiate funding requests◆ Demonstrate effectiveness to internal & external audiences◆ Promote a program to referral sources◆ Enhance an agency's/program's public image

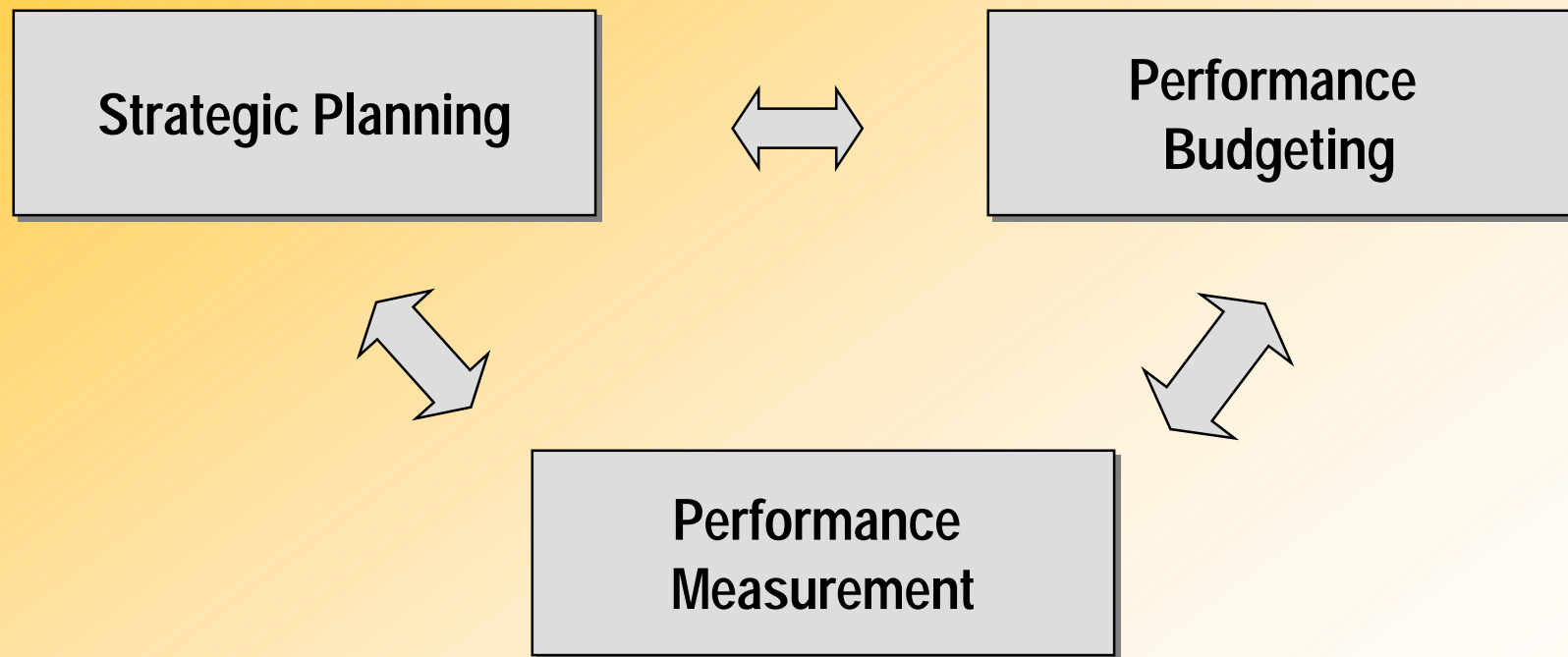
Federal Developments

- Government Performance and Results Act of 1993 (GPRA) required all federal agencies to develop strategic plans and performance measures and conduct program evaluations
- OMB and Congressional money committees are making use of strategic plans and measures as part of their budget decision making
- Many federal agencies are establishing outcome measures to which federal funding may be tied

State Developments

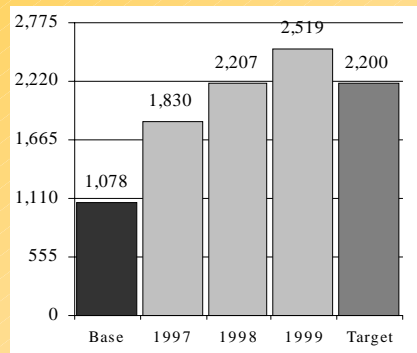
- According to a recent National Association of State Budget Officers survey, 39 states are engaged in strategic planning and 45 have some form of performance measures
- Thirty-one states now have performance budgeting legislation in place
- A number of states have established incentives (at least on paper) to encourage improved performance
- Planning and performance management are key criteria for the *Government Performance Project* survey - the effort that has succeeded the *Financial World Magazine* rating of states
 - Virginia was ranked at the very top of this survey published in *Governing Magazine*

Virginia's Performance Management Process

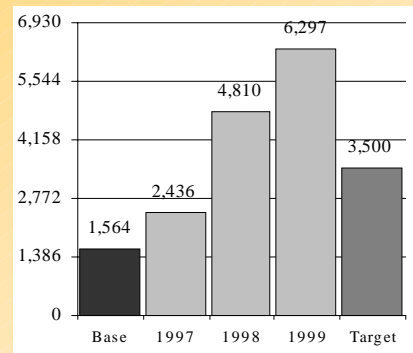


Performance Measurement Reporting

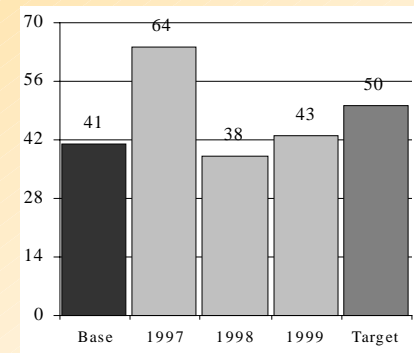
Department of Business Assistance



Number of businesses visited each year



Number of responses to requests for assistance



Amount of public and private sector financing for Virginia businesses provided by, leveraged, or facilitated through Virginia Small Business Financing Authority programs each year (\$ millions)

JLARC & DPB Worked Together to Develop the Performance Management Process:

1991	Need for performance measures identified by JLARC
1992	General Assembly mandated a performance measurement pilot program
1993	DPB oversaw performance measure pilots in 20 programs
1994	DPB report and proposal on Strategic Planning and Performance Measurement
1995	JLARC Benchmarking study
1996	JLARC reviews performance measures
1996-98	Performance budgeting process used to develop biennial budget
1997	Appropriation Act required DPB & JLARC to recommend additional measures
1998-02	Performance measurement data submitted to GA with budget requests for 98-02 budgets

National Recognition of Virginia's Efforts

- 1996** Virginia's strategic planning process identified as "best in class" by the National Performance Review (NPR)
- 1997** Virginia selected again by NPR as benchmarking partner, this time for its efforts in the area of performance measurement
- 1998** DPB staff presented Virginia's performance budgeting process at Vice President's Reinvention Revolution III conference
- 1999** Virginia one of only two states to receive the top grade of A- by GOVERNING magazine in the area of "managing for results"

Update on Virginia's Efforts

- Agency strategic plans and performance measures available to legislature, along with budget requests
- Performance measures submitted by agencies as part of budget request process
- Agency performance measures reported in Governor's budget for the last two biennium
- Database and supporting software developed by DPB to collect performance information and report on agency progress

Update on Virginia's Efforts (con't.)

- DPB assessing how new technology can be used to integrate planning, budgeting, and performance measurement information for improved decision making
- Auditor of Public Accounts (APA) auditing agency performance measurement data collection for validity and reliability
- Delegate McClure introduced HB 1065 - in the 2000 Session
- Developing multi-process, multi-level performance management system to increase usefulness and variety of performance information

House Bill 1065

Direction:

- Performance management system for state government
- Internet-based information technology system to collect and share performance information
- Seven-member Performance Management Advisory Committee appointed by Governor
- DPB Director to Chair
- Annual report and recommendations due July 30 every year - first report due July 30, 2001

Performance Measurement: Future Directions

- 1) Statewide measures
- 2) Measures for key initiatives, programs, agencies
- 3) Measures selected based on 1) their usefulness in managing/improving key programs, communicating results to public and senior decision makers; and 2) their usefulness in the budget development and execution processes
- 4) Targeting performance data collection efforts related to specific budget requests

Lessons Learned - Key Themes

- Make system fit context
- Manage expectations
- Focus on use, versus generation, of performance information
- Support organizational capacity to use information
- Key challenges

Next Steps

- Expand cooperation between the legislative and executive branches in understanding and using performance information
- Emphasize strategic management and improvement as most important uses of performance information
- Simplify planning and performance measurement process
- Increase use of internet and database technology

"VIRGINIA RESULTS"

Components of Internet Results Management System

The Official Website of the Commonwealth of Virginia

- ▶ Government
- ▶ Virginia Results
- ▶ Business & Economic Development
- ▶ Education
- ▶ Visiting Virginia
- ▶ News Releases



Search by key word or phrase

The Commonwealth of Virginia



An Information and Network Resource for Virginia Citizens

Disclaimer | Text Version



Virginia Department of
Planning and Budget

Scott D. Pattison, Director

spattison@dpb.state.va.us

www.dpb.state.va.us